

Parkinson, Laurie C.

From: richard.lovell@mitsubishicorp.com
Sent: Tuesday, April 24, 2007 4:49 PM
To: Leffler, Fredric C.
Subject: RE: cell phone

Attachments: BON 2.doc



BON 2.doc (25 KB)

Fred

Attached is my narrative on the discussion with Furuichi san. Not terrific prose but it is clear - I think

(See attached file: BON 2.doc)

Regards

Rich

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DRAFT
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Bonomo Investigation

April 23, 2007

Furuichi-san joined MC in 1986 – Has always worked in the paper business – Came to the US in 1993; stayed until July 1999. During this time was Sales Manager for paper as part of the Paper and Pulp Department. He participated in hiring Jim in 1999 and was one of the decision-makers in bringing Jim into the Company. He actually knew Jim in the industry before Jim joined MIC, but did not solicit him, specifically, for our job.

Upon Furuichi-san's return to Tokyo, he retained his responsibility for the paper business and is currently responsible for worldwide paper sales. Mr. Furuichi continued to have sales and marketing responsibility for MIC in his capacity of worldwide responsibility but did not directly manage MIC staff (although he gave them business direction). He was asked his opinion on performance but did not complete appraisals and did not set salary increases or bonus amounts. He did provide MIC (Torao-san) with net profit or sales volume targets for MIC which would have been incorporated into incentive targets for the group – specific targets for employees would have been set by the SVP for LEG. Furuichi-san claims that the personal relationship between Jim and him were excellent up until August, 2004. At that time, some issues came up including credit control and claims control. Due to questioning and follow-up by Furuichi-san, the relationship became strained but not bad. To that point, no one was managing Jim's activities at all (There was no department manager and the SVP, as acting Department Manager, was somewhat removed and provided direction thru Torao-san). Jim apparently did not like the closer look at what he was doing.

In April 2005, Furuichi-san, Mr. Korn (MC Germany) and Jim met for a meeting in Japan. (Mr. Korn is Jim's counterpart for Europe.) Following that Tokyo trip, Furuichi-san and Jim went to China to visit suppliers/customers. The first was Mr. Zhang of Anne, who met with Jim, Mr. Furuichi and Mr. Yue Zhibo (MC China). After the meeting, Mr. Zhang was asked the group to dinner. Furuichi-san does not recall if they went to a karaoke bar afterwards or not, but remembers going for the massage. Dinner entailed a fair amount of drinking on Furuichi-san's part (custom in China), but Jim did not drink much (mostly a white wine drinker). Mr. Furuichi remembers no objections on Jim's part to going to the massage....."he seemed happy to go". (We need to check) Restaurant and nightclub (if they went) were probably withing walking distance from the hotel. Furuichi-san said that, if Jim did not want to go, he would have said so – Jim does not do what he doesn't want to do.

At the massage house, Zhibo, Jim and Furuichi got undressed in the locker room, took a shower, got in a bath and then proceeded to separate rooms for the massage. The massage lasted about an hour. Furuichi-san remembers nothing unusual about the locker room, etc., off-hand comments or pictures. He seems to recall that he or Zhibo may have touched Jim's bicep and commented (apparently Jim exercises a lot and is in good shape). Afterwards, they went back to the hotel. Jim acted fine; seemed to enjoy the night out. The next day, Jim and Furuichi continued on to the next stop (a four-hour flight, together) and there was no apparent strain on Jim's part then or for the rest of the China trip.

Furuichi-san thinks his relationship with Jim is good (but not as good as before August, 2004), but says he has had to become more involved to directing Jim's activities (which Jim resists). Jim does not want to develop new business, preferring to maintain relations with existing customers. Furuichi-san is pushing to expand the business. He believes Jim was not happy to hear he was returning because it would mean closer management and more questions about activities, whereas now, Jim more or less operates as he wants (questions business trip needs, schedules, etc.).

Jim has also complained to Furuichi-san about his position and compensation in the past, which Furuichi-san does not control. According to Furuichi-san, he and Mr. (Yamada?) are supporters of Jim – other people question his effectiveness and dedication (Mr. Takahashi, Torao-san, Ted Rice, 2 more junior MC Expats and, apparently, some in Tokyo).

Finally, we asked Furuichi-san a number of questions about Jim's personal life and how familiar Furuichi is with it. He had been to Jim's apartment in NY (before Jim moved) and has had general conversations about women, etc. Jim never told Furuichi-san he was gay, although others in the department have speculated, but Furuichi-san does not believe that is true.

Leffler, Fredric C.

From: richard.lovell@mitsubishicorp.com
Sent: Tuesday, May 08, 2007 10:37 AM
To: Leffler, Fredric C.
Cc: hitoshi.inada@mitsubishicorp.com
Subject: Torao interview

Attachments: Torao interview.doc



Torao interview.doc
(24 KB)

Fred

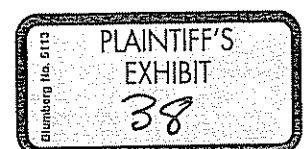
Attached are my notes from Torao san's interview. Please let me know if you have any questions

(See attached file: Torao interview.doc)

Regards

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Notes from interview held with Koji Torao on May 7, 2007 re: Jim Bonomo

Mr. Torao joined MC April 1, 1992. He was in General Merchandise in the packaging Unit. Just prior to coming to MIC in September of 2003 he was assigned for 3 months to the planning section of GMD where he worked for Mr. Furuichi just prior to his assignment. At MIC he was named Deputy Department Manager of General Merchandise where he was responsible for packaging, SEA GMD. Jim Bonomo was responsible for the paper side. Torao believes he and Jim were both Deputy General Managers (in HR we did not have that for Jim but within the group they may have been equals). The employees in the GMD Department are matrixed and work for both Jim and Torao san but Ted, Rob (now gone) Darren (Rob's replacement) and 2 support staff took more direction from Jim and more or less reported to him. Mr. Takahshi and Mr. Saito (now) the SVPs of LEG acted as the Department Manager for GMD. Torao san often had the role of "suggesting" to Jim that he do certain things or conform to certain policies. Although Torao san had this role he describes his relationship with Jim as good even though he sometimes had to speak with him "frankly" about some issues. Most recently they have much less contact as the seating was rearranged to make room for Furuichi san's arrival and Torao san is now a distance away from Jim.

Mr. Torao was aware of the trip Jim took to Tokyo where he was joined by Furuichi san and the sales manager from Germany. He also knew that they went on to see a couple of suppliers in China (Fantec ? and Anne). He does not know any details of the trip and heard nothing from anyone about the "entertainment" aspects of the trip. He did not see any change in behavior or attitudes on a part of anyone after the trip. When asked about travel where Mr. Furuichi was joined by Jim he said they continued to do so but was vague on frequency but did cite a couple of trips to Germany. (Torao san did not seem to think traveling together or meeting at a location was out of the ordinary). During this conversation Torao san said that he knew Mr. Yue who evidently has worked for MC in China awhile. Interestingly he said that Mr. Yue's English is quite good better than his own.

Mr. Torao said that he completed the PEP performance evaluations for Jim and met with him on those evaluations but did not discuss salary or bonus payments. Jim met directly with the SVP on those. Torao san was asked to recommend salary increases for the staff in GMD based on his performance assessment and budget but the SVP made the decision. Torao san is aware that Jim was looking for greater increases than those he received and also thinks that Jim was, at least initially, not pleased that Torao was assigned here. Although equal, Torao san believes Jim thought he should have been made Department Manager and his assignment somehow interfered with that. Jim also thought he was head of paper sales in the US which was not accurate.

In discussing the bonus, Torao san said that he and Jim and Ted Rice submitted a budget including sales targets. This was used as a basis to set incentive targets. In 2005 (a year in which the bonus for both Jim and Ted dropped a lot from prior years) MC actually requested that the target they set be lowered. Mr. Sakurai, then MIC 's President agreed. Despite that the performance was below mainly because of the loss of a key account. Torao san essentially has not seen much change in Jim's attitude or behaviors (except very recently). Jim does his job and is good at maintaining relationships with existing customers but not so good at developing new business (Darren the new junior person is better at that - willing to work hard which Jim does not do so much. After selling his Manhattan apartment and moving to LI Jim puts in less time at the office - in a bit late out around 5.

When asked about the relationship between Furuichi san and Jim, Torao san thinks it is good even though Furuichi san has had occasion to complain about his attitude and performance. Torao san first met Jim when he was introduced to him by Mr. Furuichi shortly before Torao san came to MIC. He said Furuichi san told him Jim is a very capable sales person. Mr. Torao said Furuichi san still thinks Jim does his sales job well (with existing customers) and is concerned that his assignment to MIC as DM will demotivate Jim and wants to avoid that.

Torao san told Jim about Furuichi's assignment around March 7. Jim had no reaction, however, when Furuichi san visited MIC on March 11 and 12 Jim was sick and out of the office both days.

Torao san does not seem to have a personal relationship with Jim and while they may go to an occasional lunch or dinner do not appear to discuss non-work related topics. While asked questions where Mr. Torao could have commented on Jim's sexual orientation he did not.

Parkinson, Laurie C.

From: richard.lovell@mitsubishicorp.com
Sent: Thursday, May 17, 2007 9:44 AM
To: Leffler, Fredric C.
Subject: Yue Interview

Attachments: Questions Mr yue.doc; Interview with Mr Yue.doc



Questions Mr
yue.doc (22 KB)



Interview with Mr
Yue.doc (24 ...

Fred

Attached are my notes and questions from the interview with Mr Yue.

(See attached file: Questions Mr yue.doc)(See attached file: Interview with Mr Yue.doc)

Regards

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Begin process by explaining reason for investigation etc and ask about the concerns he expressed, questions asked. Use that to explain that we need all the information he can remember even if he thinks it may not be important. Last thing we need are surprises later particularly if this becomes an active law suit.

Questions Mr. Yue

- 1- How long have you worked at MC in China
- 2- What is your job in the company?
- 3- How well do you know Furuichi san and Torao san? How often has either visited China?
- 4- Do you have much occasion to work with Jim Bonomo. What is your working relationship with him
- 5- Had you ever met Jim prior to April of 2005 when he and Furuichi san visited China. Had Mr Furuichi explained in advance of the trip anything about Jim.
- 6- Whose idea was the night out after visiting Anne? What was the plan ie where were you going to go.
- 7- Do you recall Furuichi san saying anything to Jim about the night out.
- 8- Did you get from place to place -- by car. Who was in the car. How long at the restaurante, bar how much drinking -- Jim drink much
- 9- How far was the restaurante and Karoke bar from the hotel. Do you recall the name of the Bar and Restaurant

- 10- What was discussed about the massage parlor with Jim – was he interested in going? Did he say he did not want to go. Did you or Furuichi san say anything to the effect that “you will be the target”
- 11- Please explain the events that occurred after reaching the bath house – what did you do first, second etc. About what time did you get to the bath house and what time did you leave.
- 12- Was your Chinese host from Anne with you at the bath house.
- 13- Do you recall any conversations with Furuichi san or Jim at the massage parlor, bar or restaurant about the physical appearance of Jim. Was there any touching or physical contact ? Specifically did any one comment or feel Jim’s muscles. Was any comment made about Jim being Italian or penis size.
- 14- Did you or Furuichi have a cell phone with you in the locker room? Did anyone take or pretend to take Jim’s picture while he was undressed.
- 15- Do you recall Jim’s attitude or behavior after you left the massage parlor? Did you all go back to the hotel together?
- 16- Did you see Jim and Furuichi the next day – Did Jim ever make a comment to you or send an e-mail to you about the events following your night out either thanking you or complaining.
- 17- How frequently are you responsible for entertaining visitors to China. When guests come what is the typical night out what is the custom in China for entertaining guests– where do you go what is done.
- 18- Have you been in contact with Jim since the China trip?
- 19- Did you hear from anyone that Jim was unhappy about the trip to the bath house

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Interview with Mr. Yue of MC China May 16, 2007

The conversation involved Mr. Yue, Mr. Aihara MC China Legal, an interpreter Ms R. Jeng, Mr. Leffler of Proskauer and Ms Knox MIC Legal and Mr. Lovell SVP HR Director for MIC. Mr. Lovell conducted the investigation.

At the start Lovell thanked Mr. Yue for his participation and explained how important the investigation was to satisfying MC's code of conduct as well as MIC's internal policies. Mr. Yue was encouraged to provide even seemingly unimportant details as they may help clarify the events of that night. Mr. Yue expressed some concern about the investigation and wanted to know what it was all about. It was explained by Mr. Lovell that the alleged events actually are the starting point for what seems to be a larger allegation of discrimination that has occurred since the events in China. Mr. Yue was told the specific questions to follow will make the nature of Bononmo's allegations clear to him.

Mr. Yue has been with MC China for 14 years and in the paper sales business. He works with Mr. Furuichi in his capacity of world wide responsibility for paper products for MC. Typically Furuichi san visits China about 6 or 7 times a year. Mr. Yue mentioned he has met Jim Bonomo a couple of times (once in Germany and on this China Trip). He describes their relationship as business associates i.e. purely professional. It was unclear

how much e-mail contact they may have on business matters but it appears to be not too much.

When asked about the specifics of the entertainment that occurred after the business meeting at Anne Mr. Yue was unclear on particulars. He said that the night out was arranged by the Chinese Host from Anne, as would be tradition. The bathhouse at the end of the night out is fairly usual in China. He does not recall any specific conversations between the parties prior to going out and does not remember Jim being reluctant to go out or having any reservations about going to the bathhouse. The 4 people - Jim, Yue, Furuichi and Mr. Chang took a car (arranged by Mr. Chang) to the restaurant. Mr. Yue does not remember which restaurant. Evidently he entertains frequently and did not recall this night as particularly eventful. He thinks they were there about an hour and one half. Asked about drinking at the restaurant he said there was some but did not describe it as heavy. He does not remember going to a Karaoke bar but says it is possible. After the restaurant and perhaps bar the 4 went to the bathhouse. Again he remembers nothing of import or unusual in conversation in the car on the way to the bathhouse. At the bath house they undressed in a common locker area, took a shower and went to separate rooms for the massage. Mr. Yue remembers nothing unusual. When asked specifically about any comments about Jim's physical condition he said Furuichi san commented that Jim is in good shape but Mr. Yue remembers no touching. When asked specifically about comments about Jim's penis he denies any comments from anyone. Mr. Lovell asked if Yue knows Jim's nationality - he said American then asked about Heritage and he said Italian. I asked how he knew that and he said Furuichi san told him that when they were

on a trip to Germany he learned Jim speaks Italian and German. Mr. Yue was surprised an American spoke 2 other languages. The Italian background came up in that context. When asked about cell phones he said he and Furuchi san had camera equipped phones. Asked about making any calls while in the locker - he said no. Asked about taking or pretending to take Jim's picture at any time in the bathhouse - he said no.

After the massage they took a taxi (Jim, Yue, Furuichi) back to the hotel. Mr. Chang had left earlier in the car. Mr. Yue did not recall any unusual conversation in the car relative to Jim's anatomy etc. Jim did not express any concerns (that Mr. Yue remembers) about his bathhouse experience.

Since Jim's trip to China Mr. Yue's contact with him has been limited, as it appears to have been before the trip.

Leffler, Fredric C.

From: richard.lovell@mitsubishicorp.com
Sent: Friday, May 18, 2007 10:42 AM
To: Leffler, Fredric C.
Subject: Takahashi Interview

Attachments: Takahashi Interview.doc; Takahashi Questions.doc



Takahashi
Interview.doc (23 KB)



Takahashi
Questions.doc (21 KB)

Fred

FYI notes from Takahashi interview

(See attached file: Takahashi Interview.doc)(See attached file: Takahashi Questions.doc)

REDACTED - Attorney Client Privilege

Regards

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Takahashi Questions.

- 1- When you came to MIC were you familiar with the staff in GMD? What was your impression of the department, staff, its performance etc?
- 2- In addition to being the SVP for LEG you were also the Department manager for GMD in NY and also SEA?
- 3- How did you manage the staff in NYO GMD – were you removed from day to day – Torao san's role etc.
- 4- After being at MIC for a year or so, what was your impression of NYO GMD and its staff? Did you see the need to initiate any changes from the way it operated under Fuji san?
- 5- How did you handle the PEP preplanning process (setting goals for incentive etc) and the final evaluation of employees? Was Jim evaluated any differently than others for performance purposes.
- 6- How did you determine the salary increases for Staff members? Did you get input from Furuichi san on Jim's performance or with regard to salary and bonus?
- 7- Did you have any discussions with Jim (initiated by you or him) about his salary, future in the company etc. What is your opinion about Jim's performance and potential – do you see him as a possible department manager.
- 8- What is your knowledge about the working relationship between Mr. Furuichi and Jim.
- 9- Did Jim ever comment or complain to you about Furuichi san in any respect.
- 10- Were you aware of the business trip to China in April of 05.
- 11- Did Jim ever mention anything to you about his trip to China with Furuichi san in April of 2005?
- 12- Did you see any change in Jim's performance or attitude over the time you were at MIC.
- 13- Did you know Jim on a personal level at all, interests outside of work, family etc.

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May 18, 2007

Notes from an interview with Mr. Takahashi former SVP of MIC LEG. Interview conducted by phone by R.Lovell 5-18. In attendance Mr. Leffler of Proskauer, Mr. Inada, MIC Legal and Diane Knox MIC Legal.

Mr. Takahashi joined MC in 1973. Much of his career has been in Foods although on 3 assignments to Australia he was the office GM where he managed all business departments. He came to MIC in 2004 as SVP and Group Head for LEG. When he was assigned he was unfamiliar with the national staff employees in GMD. He wanted to make Mr. Torao the Department Manager but was unable to do so. On paper he believes Mr. Torao and Jim Bonomo were at a similar level but Mr. Takahashi used Torao san as his day-to-day manager. As such Mr. Torao was responsible for evaluating the staff (writing the PEP), which Mr. Takashi would review and approve. Torao san would also recommend salary increases for Mr. takahashi's consideration. Mr. Takahashi said that Furuichi san had no input on evaluations or monetary considerations and no authority to control MIC staff.

Mr. Takahashi had discussions about the bonus formula with Jim. There were two ways to calculate the bonus – using the overall GMD result or an individual result. Jim wanted to use an individual result and Takahashi agreed (included Ted Rice also). The gross profit (less interest and bad debt) was planned by Mr. Torao and Jim and presented to Mr. Takahashi for review and approval. Mr. Takahashi accepted their figures and was concerned with the reasonableness of the number – not too high not too low. He wanted a number that was achievable. This way of setting the incentive target is different than for others in LEG but it is what Jim wanted.

When asked about any discussions with Jim about his salary or promotion possibilities, Takahashi said he had none. Mr. Takahashi felt that Jim's performance over the time he was SVP was constant - did not get better or worse. He thinks Jim is a good sales person. He does not think Jim would be a good manager. He spoke specifically of his relationship with Robert (who resigned from MIC) and felt a manager would have been better in dealing with that situation. He also commented about Jim's relationship with staff in general.

Mr. Takahashi was not aware of the trip to China specifically but mentioned that Jim did go to Germany often